

RAND PAUL
KENTUCKY

United States Senate

WASHINGTON, DC 20510

Dear Colleague:

Tomorrow the Senate Foreign Relations Committee will consider S. 1441, the *Protecting Europe's Energy Security Act of 2019*. The focus of this legislation is placing sanctions on companies and individuals who are supporting the construction of the Nordstream II pipeline.

First, this legislation does not identify individuals actually being sanctioned, relying instead on general categories subject to sanction. This means that, ultimately, we are voting blind as to who will be sanctioned under this bill. Congress would once again pass on our authority to the Executive Branch, thus abandoning our constitutional responsibility to make laws. Congress is already dealing with the consequences of over-delegating our authority, and we should learn from those past mistakes rather than doubling-down with fill-in-the-blank sanctions.

The main target of the proposed sanctions would be "...vessels that engaged in pipe-laying at depths of 100 feet or more below sea level for the construction of the Nord Stream 2 pipeline project." The implication is that these sanctions are directed at Russia since the pipeline originates in that country; however, 96% of the undersea pipe-laying of Nordstream II is being conducted by a Swiss company with deep ties to projects in the United States, as well as an Italian company with a headquarters in Houston, Texas. Furthermore, the sanctions described would deny entry to the United States, block property, and restrict a wide range of financial transactions for any number of corporate officers, shareholders, and people identified to have ties to this company, as well as another Italian company which is laying pipeline.

Additionally, the sanctions included in this legislation would target any person who is involved in providing significant underwriting of the vessels used in this project, or responsible for paying for the insurance of such a vessel. This means the principle investors in this project—which are companies from Germany, France, the Netherlands, and Austria—are at risk of being sanctioned for participation in this project, which is over 60% completed.

It is a bizarre and unnecessary escalation to pursue economic warfare against Switzerland—a country that has remained neutral in every modern conflict. These sanctions would not be felt by the Russians, but by companies from Austria, Germany, the Netherlands, France, Finland, Sweden, and Italy, as well as their investors.

Before voting on this legislation, the committee should contemplate whether sanctioning NATO allies and neutral third-parties is somehow an effective counter-Russia strategy. I urge my colleagues to reconsider this approach. If we continue down this road—of drawing lines in the sand and treating our friends the same way we treat our adversaries—then we will have no one to blame but ourselves when we find ourselves with fewer friends. I strongly urge you to oppose this legislation.

Sincerely,

A handwritten signature in black ink that reads "Rand Paul". The signature is stylized, with the first letters of the first and last names being large and prominent.

Rand Paul, M.D.